Alberta
ENERGY

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GAS ROYALTY CALCULATION INFORMATION BULLETIN

07-02

February 2007

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PLEASE ENSURE YOUR PRODUCTION ACCOUNTANTS RECEIVE A COPY OF THIS DOCUMENT.

A. PRICING RATES AND TRANSPORTATION INFORMATION

For Pricing, Royalty Rates and Transportation Information for December 2006, refer to Attachments 1, 1A, 2, 2A, and 3. These attachments are also available in Excel format.

B. NOTICES

December 2006 Production Royalty Due Date is March 30, 2007

The royalty due date for December 2006 production issued in February 2007 is due on or before March 30, 2007. Section 18(3) of the Natural Gas Royalty Regulations, 2002 provides for payment of the royalty invoice issued in February (December production month) on or before the last day in which the offices of the department are open in March.

Monthly Sulphur Corporate Average Price Calculation – VA4 Form

The department requires royalty clients with an annual sulphur production of 30,000 tonnes or greater in the 2006 production year to file VA4 forms monthly, beginning with the January 2007 production month. The VA4 form is due on or before the 15th day of the second month following the respective production month. A royalty client whose annual sulphur production is less than 30,000 tonnes may choose to file the VA4 forms monthly beginning with January's production month; however, if this choice is made, the client must file VA4 forms for the entire year.

The department will use the VA4 forms to determine each client's monthly Sulphur Corporate Average Price (S-CAP) and the monthly sulphur default price. We calculate each month's sulphur default price as the weighted average unit value of all arms length sales for all clients who filed VA4 forms for that month. The department will value and invoice the Crown royalty share of sulphur production monthly using the respective S-CAP price for clients who file VA4 forms, and the sulphur default price for clients who chose not to file VA4 forms. The VA4 form is subject to $100 in late filing penalties for each month or part of the month the form is past due.

The VA4 form for the production month of January 2007 is due in the department by March 15, 2007.

Royalty clients who file monthly VA4 forms must file annual VA3 forms. The VA3 form remains the primary sulphur valuation tool and the S-CAP determined from each VA3 will replace the entire year's monthly prices determined from the VA4 forms. The VA3 is due on or before April 15th of the year following the year of production. Interest is charged/paid on the Crown royalty difference when adjusting from monthly to annual valuation. The VA3 form is subject to a one-time $1,000 late filing penalty.

The following royalty clients must submit VA4 forms effective with the 2007 production year, which includes any pricing information for each of its consolidated/amalgamated entities:

Client ID	Client Name	Client ID	Client Name
0017	Imperial Oil Resources	A0L6	Fairborne Pivotal Production
0060	BP Canada Energy Company	0WW6	Highpine Energy Inc.
0W9D	Burlington Resources Canada	0PF8	Hunt Oil Company
0T82	Canadian Forest Oil Ltd.	0R46	Husky Oil Operations Ltd.
0HE9	Canadian Natural Resources	0226	Nexen Inc.
0CW8	Compton Petroleum Corp.	0YT7	Mancal Energy Inc.
A162	Daylight Energy Ltd.	0246	Petro-Canada Oil and Gas
0F3F	Devon Canada	0N00	PrimeWest Energy Inc.
0D7E	Encana Oil and Gas Partnership	A2F0	Shell Energy
A08J	Enerplus Oil and Gas	0054	Suncor Energy
0KT5	Esprit Exploration Ltd.	0039	Talisman Energy
0JT1	ExxonMobil Canada Energy		

Rapid Trans Deposit Slips

Further to Appendix K of the Alberta Natural Gas Royalty Guidelines, royalty payers are required to fax a copy of their Rapid Trans Deposit Slip to the Financial Services Division, Revenue Operations at fax number (780) 422-4281 for the following reasons:

- **We require the information from your Alberta Energy Rapid Trans Deposit Slip to ensure payment is allocated promptly to your gas royalty account.**
- Your Alberta Energy Rapid Trans Deposit Slip is notification of your payment remittance and is reconciled to the bank information received from the Canadian Imperial Bank of Commerce.
- The Canadian Imperial Bank of Commerce does not automatically provide a copy of the Rapid Trans Deposit Slip to Alberta Energy, therefore, it is imperative for royalty clients to fax a copy of the Rapid Trans Deposit Slip to Alberta Energy at (780) 422-4281.

Royalty clients are reminded that payments may be made by pre-authorized automatic debit, further information on auto debit can be found on page 3 of Appendix K of the Alberta Natural Gas Royalty Guidelines.

For further information you may contact Angela St. Jean of Gas Royalty Accounts at (780) 644-4899 or Donna McLachlan of Financial Services at (780) 422-2872.

Update - Expected AC2 Reports on the Registry

Effective Monday, February 5, 2007 and each Monday thereafter to May 28, 2007, **(except for April 23, 2007 and May 21, 2007 when invoice runs are in progress)** expected capital cost allowance (AC2) reports are available on the Registry for client access. The reports are available in PDF, TXT and CSV formats.

Should you have any questions or concerns regarding AC2 expected reports or filings, please contact your Gas Royalty Client Services portfolio representative as identified in Section F of this bulletin or contact Joey Dennis at (780) 422-9260.

Weighted Average Aggregator Overhead Marketing and Administration Charges (OMAC)

For Gas Corporate Average Price (CAP) filers, when determining the netback value, the weighted average OMAC type charges may be deducted for sales to non-designated aggregators. Refer to Chapter IV, Section 1.9.6.1 of the Guidelines for additional information.

The Weighted Average Aggregator OMAC ($/GJ) for 2006 is $0.020. Refer to Chapter IV, Sections 1.5.7 of the Guidelines for additional information.

Annual Weighted Average Gas Reference Price

The Annual Weighted Average Gas Reference Price for 2006 is $6.26. This price is used in the calculation to determine the 2006 minimum price for the Gas Corporate Average Price. Refer to Chapter IV, Section 1.9.6.3 of the Guidelines for additional information.

Historical Pricing and Royalty Data

Attachment 4 is a listing of historical royalty related data for information purposes.

C. MONTHLY INFORMATION

December 2006 Royalty Due March 30

- **Royalty clients are to remit the total amount payable shown on the March 2007 Statement of Account by March 30, 2007.** If the amount payable includes accrued current period interest, the interest has only been accrued to the statement issue date. Clients must also include the additional interest that has accrued from the statement issue date to the date of payment, using the per diem amount provided.

- **The March 2007 Statement of Account shows your amount payable as of the Statement issue date. It includes any outstanding balances from your previous statement, your December 2006 Invoice amount and any applicable current period interest charges. It also identifies refunds resulting from overpayments.**

- Current period interest will not be charged on current invoice charges for the production month of December 2006 if it is paid in full by March 30, 2007.

- Current period interest will accrue on any overdue charges commencing the first day after the due-date until it is paid in full.

- Cheques are payable to the Minister of Finance, Province of Alberta.

January 2007 VA4 Due March 15

The VA4 forms for the production month of January 2007 are due in the department offices by March 15, 2007.

Note: If the due date (15th) falls on a non-business day, the next business day will apply as the due date for VA4 forms.

January 2007 Production Reporting

January 2007 production reporting is submitted through the Registry. The deadline for submission of SAF, OAF, and Volumetrics is posted in the Petroleum Registry of Alberta website "Reporting Calendars" under Bulletin Board.

Changes to this calendar will be posted on the Registry web site home page in "Broadcast Messages."

Interest Rate February 2007

Alberta Energy's interest rate for February 2007 is 7.00%

November Provisional Assessment Charge

The summary of Provisional Assessment Charges for all production periods in the November 2006 billing period was:

First Time Provisional Assessment	Reversals of Provisional Assessment	Net Provisional Assessment
$4,878,421.71	($4,072,000.99)	$806,420.72

November Penalty Charges

The revised penalty table below shows at the form level, the total penalty charges and reversals, for the November 2006 billing period:

FORM	Penalty Charges	Penalty Reversals	Net Penalty Charges for 2006/11
AC2	$7,000	$0	$7,000
AC4	$0	$0	$0
AC5	$1,600	$0	$1,600
GR2	$0	$0	$0
NGL1	$0	($1,000)	($1,000)
VA2	$0	$0	$0
VA3	$0	$0	$0
VA4	$600	$0	$600
Total	$9,200	($1,000)	$8,200

Alberta Royalty Tax Credit Program Quarterly Rate

The Alberta Royalty Tax Credit Program is no longer in effect as of January 1, 2007. However, the Alberta Royalty Tax Credit rates for the past year were:

Fourth Quarter, 2006	.2500
Third Quarter, 2006	.2500
Second Quarter, 2006	.2500
First Quarter, 2006	.2500

For further information, please contact Alberta Finance, Information Services at (780) 427-3044. [Toll-free long distance is (780) 310-0000-427-3044].

Gas Royalty Calculation Support

Gas Royalty Calculation staff will be available monthly to meet with clients who need assistance with royalty reporting. Royalty clients requiring assistance are encouraged to call Richard Stokl, Manager, Client Services (780-422-9258) or e-mail richard.stokl@gov.ab.ca two business days before the meeting date to arrange an appointment. The March through June schedule is as follows:

Where:

AMEC Place
Room 437, 801-6 Avenue SW
Calgary, Alberta
Phone: 403-297-8954
(Industry must go to the 3rd Floor Reception upon arrival to sign-in and be given a visitor tag)

When – 10 am to 3 pm
March 29, 2007
April 26, 2007
May 31, 2007
June 28, 2007

D. INFRASTRUCTURE DATA CHANGES

Client ID Listing

The BA Identifiers Report is a directory of Business Associate (BA) names, codes, status (e.g. struck, active, amalgamated, etc.), status effective dates, and effective August 2004, includes Working Interest Owner (WIO) role start/end dates.

This report is also published daily on the Petroleum Registry website at:
http://www.petroleumregistry.gov.ab.ca

The department reminds Business Associates to review their WIO role to ensure the start and end dates are reflected correctly. If the BA does not have an active WIO role, the operators cannot allocate volumes to the BA for the relevant production periods through the SAF/OAF allocations.

- If a BA has a WIO role start date with no end date, then that BA can receive allocations from the stated start date forward.

- If a BA has a WIO role start and end date, then they can only receive allocations from the stated start date until the end date. Any allocations after the end date will be rejected.
- If a BA does not have a WIO role start date, then that BA cannot receive allocations at all.

Please contact Client Registry at (780) 422-1395 if you have any questions regarding the information supplied on this listing.

Projects/Blocks

If information is required on Projects or Blocks, please contact Isabelle Warwa at (780) 427-8952.

Client Status Changes

Clients must ensure that all royalty documents are completed using only valid client names and IDs. It is critical that royalty clients use current legal client names and their appropriate IDs on all documents to ensure accurate royalty calculation and to prevent provisional assessment and penalties. Rejects will occur when invalid IDs are used.

If you require information regarding client names or IDs, please contact Client Registry at (780) 422-1395.

The following is a list of dissolved, struck, revived, and reinstated clients:

Company Name	Client ID	Dissolved Date
1218696 Alberta Ltd.	A1Y3	January 31, 2007
1243908 Alberta Ltd.	A2A8	December 22, 2006
815755 Alberta Ltd.	0D5Y	December 29, 2006
Chariot Energy Inc.	A03E	December 31, 2006
Dale Bergeson Engineering Ltd.	0FY2	January 26, 2007
El Paso Merchant Energy Company Inc.	0C2H	December 29, 2006
Enacom Alberta Inc.	0F7A	January 11, 2007
Geodyne Energy Production Inc.	0B2R	December 29, 2006
Grand Kasya Energy Inc.	A167	December 31, 2006
Randal Energy Ltd.	0WZ2	February 7, 2007
Swab-Flo Inc.	A17X	December 31, 2006
The Valley Gas Company Limited	0129	January 12, 2007
Company Name	**Client ID**	**Struck Date**
296107 Alberta Ltd.	0GM5	February 2, 2007
Blue Gold Resources Limited	0JD8	January 2, 2007
Cam-Star Resources (1990) Ltd.	0MH1	February 2, 2007
Current Solutions Incorporated	A263	February 2, 2007
Earth Energy Utility Corp.	A0BT	January 2, 2007
KD Drilling Ltd.	A1EF	February 2, 2007
NXT Energy Canada Inc.	0G8B	January 2, 2007
Permit Agency Inc.	A0BH	January 2, 2007
Rain Engineering Consortium Inc.	0XL5	January 2, 2007
Sunac Woodwork Inc.	A0RM	February 2, 2007
Universal Industries Corp.	A18C	January 2, 2007
West-Can Hydrocarbon Fund Ltd.	0T77	February 2, 2007

Company Name	Client ID	Revived Date
700748 Alberta Ltd.	610C	January 15, 2007
Spring Resources Ltd.	A1NP	January 12, 2007
Company Name	**Client ID**	**Reinstated Date**
Shell Chemicals Canada Ltd. Shell Chimie Du Canada Ltee	A229	January 17, 2007

Nova Tolls - Multiple Gas Reference Prices

Royalty information related to the implementation of the Factor Model negotiated with industry for determining Multiple Gas Valuation Prices is provided on the Natural Gas website's Royalty Related Information page under Facility Royalty Trigger Factors and Meter Station Ties.

E. REMINDERS

New Meter Station Factors

The department has published new meter station factors in Information Letter 2007-02. The meter station factors are effective for varying production periods between October 2002 and September 2006. These same receipt meter station factors have also been revised for the October 2006 production period, which will remain in effect for subsequent production periods until otherwise changed.

If you have any questions, please contact Bill Zanewick, Director Gas Royalty Valuation and Markets Division at (403) 297-5465 or e-mail at bill.zanewick@gov.ab.ca.

Submission of Production Year 2006 Allowable Cost (AC) and Corporate Average Price Calculation (VA) Forms

Royalty clients are advised that Allowable Cost forms (AC1, AC2, AC3, AC4 and AC5) and Corporate Average Price calculation forms (VA2 and VA3) for the 2006 production year are due on the following dates:

Form Type	*Due Date*	*Penalty*
AC1	March 01, 2007	-
AC4	March 31, 2007	$200/Form/Year until received
VA2	April 15, 2007	$1,000/One time only
VA3	April 15, 2007	$1,000/One time only
AC2	April 30, 2007	$100/Form/Month until received
AC3	May 15, 2007	-
AC5	May 15, 2007	$100/Form/Month assessed when form is received

Please note that all allowable cost submissions (initial and amended filings for current and prior production years) by operators are required to be completed on the Registry. Although use of the Registry to file AC3 and AC5 documents is mandatory for operators, it remains voluntary for non-operators. However, non-operators are strongly encouraged to use the Registry to submit

and retrieve their AC3 and AC5 data. The business rules and submission method for VA2 and VA3 forms remain the same with notification from the department informing clients that their forms have been processed. Annual allowable cost forms are processed nightly except during an invoice run cycle. New facility cost centre set-ups which are processed within four hours of receipt will continue to be generated during an invoice run cycle. The Corporate Average Price forms are processed as they are received.

The department encourages timely submissions to allow sufficient turnaround time for corrections. Non-operators are particularly encouraged to file their Corporate Average Price forms timely by mail or direct delivery to the Calgary Information Centre. The font size on faxed forms must be 10 pt or greater and must not be bold. Penalties will apply where valid system acceptable forms are received past the due date. Barring department's responsibility, inability to submit annual cost forms on the Registry and/or illegible script will not reverse a penalty once imposed.

Should you have any questions or require clarification regarding these matters, please contact Joey Dennis at (780) 422-9260 or e-mail joey.dennis@gov.ab.ca.

2006 AC4 Form - Allowable Operating Costs

The operator of a Facility Cost Centre (FCC) that is tied to a designated facility, or is a processing type FCC tied to a non-designated facility that is a sweet or sour gas plant, is required to report annual operating costs on the AC4 submission to the department, describing the allowable operating costs of the FCC for each year. Should the form not be submitted, no operating costs for the FCC will be applied in the calculation of the Unit Operating Cost Rates (UOCR) for the following year.

The due date for the 2006 AC4 form is March 31, 2007. FCC operators are encouraged to submit their AC4 forms prior to the due date to allow for correction turnaround should rejections occur. Forms received after the due date are subject to penalty charges. The 2006 AC4 reminder notices will be sent to operators, via the Registry, identifying those FCCs for which an AC4 form is required. AC4 reminder notices will be loaded into the Registry on the following dates:

- February 23, 2007
- March 02, 2007
- March 09, 2007
- March 16, 2007

AC4 turnaround documents will not be produced as all corresponding data will be available on the Registry following processing of the data transfer files from the Mineral Revenue Information System (MRIS). AC4 rejection notices are also delivered to operators via the Registry.

Commencing the first week in March, a listing of outstanding AC4 forms will be published on the Natural Gas website's Royalty Related Information page under Royalty and Related Information Review. Please scroll to the updates near the bottom of the page and select Outstanding AC4s for 2006 to open the most recent listing. Updates should be monitored closely in order to resubmit rejected forms on or before March 31, 2007. Should you have any questions, please contact Joey Dennis, Program Support, at (780) 422-9260.

Historical Pricing and Royalty Data Correction

The 2003 Weighted Average OMAC – Type Charges and the 2003 Weighted Average Gas Reference Price was incorrect in the historical pricing and royalty data attachment in the March 2004, March 2005, and February 2006 Information Bulletins. The 2003 Weighted Average OMAC – Type Charges is $0.021 and the 2003 Weighted Average Gas Reference Price is $5.83. The internet versions of these bulletins now reflect the correct prices.

Should you have any questions, please contact Shellie Duiker at (780) 422-8083.

Revised Meter Station Factors

The department has published revised Meter Station Factors in Information Letter 2006-35, where Meter Station Factors for those prescribed effective October 2006 are identified.

If you have any questions, please contact Bill Zanewick, Director Gas Royalty Valuation and Markets Division at (403) 297-5465 or e-mail at bill.zanewick@gov.ab.ca.

Statutory Requirement and Recalculation of 2002 Royalty

A production year becomes statute barred on December 31st, four years after the end of a production year. Once a year has become statute barred, calculation or recalculation of royalty does not occur on a monthly basis.

Section 38 of the Mines and Minerals Act provides for recalculation of royalty that can be initiated in either of two ways:

a) On the department's initiative in conjunction with an audit or examination; or
b) At the request of a royalty payer.

Audits in Progress

Non-operator partners are advised that certain 2002 capital cost and custom processing adjustment factor (CPAF) and reporting discrepancy audits are currently in progress. Completion of the audits and royalty recalculations and assessments, if required, will occur in 2007. For a complete listing of the affected EUB facilities, refer to Attachment 5.

Royalty clients are also reminded that amendments received by the department in the fourth year following the production year may be subject to audit. If the amendments were received late in the fourth year and insufficient time was available for the department to commence a review of the amendments prior to the end of the year, the department reserves the right to commence the audit at the beginning of the fifth year.

If you have any questions, please contact Chris Lawton of the Compliance & Assurance group at (403) 297-6746.

Training Sessions

Allowable Cost Refresher
Client Services will be conducting two training sessions in Calgary on March 8, 2007 at the McDougall Centre, 412 7th St. S.W. We will be hosting a morning session from 10:00 a.m. until noon and an afternoon session from 1:30 to 3:30, the content of both sessions will be the same. Please call Patricia Janhsen at (780) 422-9351 by Wednesday February 28, 2007 to register for one of these sessions.

Royalty Adjustment Program for Deep Marginal Gas Wells
The department and Alberta Energy and Utilities Board (EUB) will be conducting a joint information session on the new royalty adjustment program. Four information sessions will be held on March 19 & 20 at McDougall Centre (412 – 7th St. S.W.). A morning session from 10:00 to 12:00 and an afternoon session from 1:30 to 3:30 will occur on each date. As the information provided may be of benefit to your engineers, please ensure they are informed of these training sessions. Spacing is limited thus to ensure you secure a seat you must register by Wednesday February 28, 2007. Please contact Patricia Janhsen at (780) 422-9351 to register.

F. POINTS OF CONTACT

Petroleum Registry of Alberta

The Petroleum Registry of Alberta Service Desk is the focal point for communications with the Registry regarding preparations for, access to, or utilization of the Registry. To contact the Petroleum Registry of Alberta Service Desk call: 1-800-992-1144.

Alberta Energy Internet

Prices, Royalty Rates, and Transportation Information are available on the Alberta Energy Internet address: http://www.energy.gov.ab.ca, from "Our Business", navigate to "Natural Gas", "About Natural Gas", "Prices", "Alberta Natural Gas Reference Price (ARP)".

In addition, both the Gas Royalty Calculation Information Bulletins and Information Letters are also available on the Alberta Energy Internet address: http://www.energy.gov.ab.ca, from "Our Business", navigate to "Natural Gas", "Legislation, Guidelines & Policies".

Gas Royalty Client Services

The Gas Royalty Client Services is structured as a Business Associate client portfolio system, which assigns a given Business Associate to one of four Client Service teams. Listed below is the portfolio breakdown along with Client Service Team Leads and phone numbers. The portfolios are divided by company name and not by BA ID.

Example: If your company name is the "Gas Company" you would call C – G team at (780) 644-1202.

Business Associate	Phone Number and E-mail Address	Team Lead
Numbered companies, A, B & L	(780) 644-1201 GRCST1@gov.ab.ca	Mary Spearing
C – G	(780) 644-1202 GRCST2@gov.ab.ca	Lily Hiew
H – P (excluding L)	(780) 644-1203 GRCST3@gov.ab.ca	Chris Nixon
Q – Z	(780) 644-1204 GRCST4@gov.ab.ca	Kamal Rajendra

Gas Royalty Reception: (780) 427-2962
Fax: (780) 427-3334 or (780) 422-8732
Alberta Toll Free: (780) 310-0000
Hours of operation are 8:15 a.m. to 4:30 p.m.
Voice messages left after 4:30 p.m. will be answered the next business day.

In situations where a company has just amalgamated or purchased another company, the general rule is to call the team that is responsible for the "Supra" business associate, or Royalty payer.

Below are some guidelines for clients who are unsure which Client Services Team to call regarding their questions.

1. **Amalgamation/consolidation** - Call the team responsible for the "Supra" business associate (Royalty Payer).
   i.e. ABC Oil and Gas amalgamates with Zed Exploration and Zed is the amalgamator (royalty payer). When calling Client Services regarding business for ABC Oil and Gas you would call Team 4 (Q-Z) (780-644-1204) because Zed Exploration is now the Supra business associate and royalty payer. This rule would apply even if you were calling regarding business that is prior to the acquisition or amalgamation.

2. **Asset Purchase** - Call the team responsible for your company.
   i.e. 123 Gas purchases the assets of TSP Exploration, but not the company. When calling Client Services regarding business for 123 Gas you would call Team 1 (# Co., A, B, & L) (780-644-1201) because you have only purchased assets. You would not be entitled to information regarding business for TSP Exploration that is prior to the asset purchase.

3. **Consultants/service providers** - If you have a contract to provide production accounting services to a company, call the team responsible for your client's company.
   i.e. Paul Snow Consulting Services enters into a contract with Duckback Oil and Gas and Olive Oil and Gas. Paul Snow would contact Team 2 (C-G) (780-644-1202) to discuss Duckback Oil business and Team 3 (H-P excluding L) (780-644-1203) to discuss Olive Oil and Gas business. At the time the contract is signed, Paul Snow would have had each company notify the appropriate team that he was authorized to access information for their company.

Reference Prices and Valuation Allowances Calculation Information

Gas Royalty Valuation and Markets
300, 801 – 6 Avenue SW
Calgary, Alberta T2P 3W2
Telephone (403) 297-5514
Fax (403) 297-5400

Calgary Information Centre

300, 801 – 6 Avenue SW
Calgary, Alberta T2P 3W2
Telephone (403) 297-6324
Fax (403) 297-8954

Alberta Royalty Tax Credit Information

Alberta Finance, Tax and Revenue Administration
Tax Services
Telephone: (780) 427-3044
Alberta Toll Free: (780) 310-0000
Fax: (780) 427-5074
For further information, please contact Tax Services at (780) 427-9425.

Deen Khan
Director, Gas Royalty Calculation
Gas Development

Attachments

2006 GAS AND ISC PRICES

MONTH	Gas Reference Price ($/GJ)	Methane ISC Reference Price ($/GJ)	Methane ISC Par Price ($/GJ)	Ethane ISC Reference Price ($/GJ)	Propane ISC Reference Price ($/GJ)	Butane ISC Reference Price ($/GJ)	Pentanes plus ISC Reference Price ($/GJ)
JAN	9.52	9.56	9.56	9.33	9.11	9.10	9.14
FEB	7.38	7.36	7.36	7.58	7.58	7.58	7.59
MAR	6.47	6.46	6.46	6.67	6.71	6.74	6.76
APR	6.18	6.17	6.17	6.31	6.31	6.36	6.36
MAY	5.71	5.70	5.70	5.77	5.74	5.76	5.77
JUN	5.29	5.26	5.26	5.57	5.64	5.67	5.70
JUL	5.22	5.19	5.19	5.48	5.54	5.57	5.58
AUG	5.84	5.81	5.81	6.06	6.10	6.13	6.15
SEPT	5.12	5.12	5.12	5.14	5.09	5.12	5.13
OCT	4.40	4.33	4.33	4.82	5.00	5.03	5.06
NOV	6.51	6.46	6.46	6.86	6.96	7.00	7.01
DEC	7.05	7.03	7.03	7.17	7.19	7.21	7.23

Natural Gas and NGLs Select Prices for 2006

Commodity	2006
New Methane	1.419 $/GJ
Old Methane	0.418 $/GJ
New Ethane	1.419 $/GJ
Old Ethane	0.418 $/GJ
Propane	1.419 $/GJ
Butane	1.419 $/GJ
Pentanes plus	50.73 $/m3

Royalty Factors for Pentanes plus

	Base	Marginal
New Pentanes	22	35
Old Pentanes	22	50

DETAIL OF THE DECEMBER 2006 GAS AND ISC REFERENCE PRICES

	Gas	Methane	C2-IC	C3-IC	C4-IC	C5-IC
Weighted Average Price of Alberta	7.353	7.354	7.397	7.369	7.375	7.371
Deductions: Intra – Alberta Transportation	0.229	0.242	0.139	0.097	0.075	0.057
Marketing Allowance	0.012	0.012	0.012	0.012	0.012	0.012
Price Before Pipeline Factor	7.112	7.100	7.246	7.260	7.288	7.302
Pipeline Fuel/Loss Factor	0.991	0.991	0.991	0.991	0.991	0.991
Price before Special Adjustment	7.051	7.038	7.184	7.197	7.225	7.239
Special Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Price before 2% amendment limitation or rounding	7.051	7.038	7.184	7.197	7.225	7.239
Amendments: Carry forward (from previous RP month)	0.005	-0.001	0.000	0.002	-0.004	0.004
Prior Period Amendment Adjustment (current RP month)	-0.004	-0.004	-0.009	-0.010	-0.013	-0.012
Calculated RP after Amendments	7.052	7.033	7.175	7.189	7.208	7.231
DECEMBER 2006 Reference Price	**7.05**	**7.03**	**7.17**	**7.19**	**7.21**	**7.23**
Difference = value carried forward to next RP month	0.002	0.003	0.005	-0.001	-0.002	0.001
Adjusted IATD (before Prior Period Amendments)	[illegible]	0.241	0.137	0.097	0.075	0.057
Prior period Amendments (IATD and Pipeline Fuel Loss)	[illegible]	0.000	0.000	0.000	0.000	0.000
Adjusted IATD (after Prior Period Amendments)	[illegible]	0.241	0.137	0.097	0.075	0.057

2006 Weighted Average Reference Price ($/GJ)
6.260

2006 Weighted Average OMAC ($/GJ)
0.020

2006
NATURAL GAS LIQUIDS PRICES

MONTH	Ethane Reference Price ($/GJ)	Ethane Par Price ($/GJ)	Propane Reference Price ($/m3)	Propane Par Price ($/GJ)	Propane Floor Price ($/m3)	Butanes Reference Price ($/m3)	Butanes Par Price ($/GJ)	Butanes Floor Price ($/m3)	Pentanes plus Reference Price ($/m3)	Pentanes plus Par Price ($/m3)	Sulphur Default Price ($ per tonne)
JAN	9.33	9.33	289.22	9.11	240.07	394.52	9.10	329.84	484.39	477.02	27.53
FEB	7.58	7.58	248.16	7.58	213.28	370.63	7.58	279.57	468.40	441.89	29.48
MAR	6.67	6.67	254.40	6.71	213.86	362.89	6.74	272.66	468.85	457.27	31.39
APR	6.31	6.31	286.26	6.31	248.88	390.67	6.36	290.57	545.33	524.82	25.41
MAY	5.77	5.77	279.81	5.74	247.11	376.44	5.76	283.32	529.03	507.26	24.31
JUN	5.57	5.57	287.72	5.64	258.60	377.94	5.67	295.08	557.91	516.67	21.78
JUL	5.48	5.48	313.36	5.54	281.70	402.10	5.57	315.61	564.17	538.62	18.77
AUG	6.06	6.06	305.03	6.10	275.34	402.10	6.13	317.45	530.10	511.93	14.09
SEPT	5.14	5.14	269.07	5.09	240.91	366.43	5.12	268.30	443.64	429.71	16.45
OCT	4.82	4.82	263.50	5.00	228.69	320.32	5.03	254.10	431.87	410.21	14.99
NOV	6.86	6.86	267.41	6.96	232.98	311.40	7.00	255.81	399.49	397.29	9.05
DEC	7.17	7.17	267.75	7.19	228.13	319.30	7.21	262.85	478.01	453.50	12.89

ANNUAL SULPHUR DEFAULT PRICE				
2001	2002	2003	2004	2005
$0.28	$6.74	$30.97	$31.98	$33.98

2006
NGL TRANSPORTATION ALLOWANCE AND DEDUCTIONS

MONTH	PENTANES PLUS (a)				PROPANE AND BUTANE (b)				PENTANES PLUS, PROPANE & BUTANE (c)				FRAC. ALLOW. (per m3)
	REGION				REGION				REGION				
	1	2	3	4	1	2	3	4	1	2	3	4	
JAN	-0.90	13.92	10.05	18.08	18.72	-1.58	-33.18	-18.57	17.78	14.75	35.26	16.39	15.50
FEB	24.88	25.25	34.62	26.47	10.17	-2.24	-57.23	-19.17	18.42	13.68	31.79	18.91	15.50
MAR	14.23	10.00	32.47	4.43	12.33	6.56	3.05	-2.25	20.08	16.58	22.76	19.67	15.50
APR	16.82	16.81	36.92	26.20	8.13	4.05	4.42	3.86	18.80	24.73	22.81	27.82	15.50
MAY	21.44	17.83	34.47	26.88	7.50	0.28	-5.71	1.91	17.91	17.74	17.30	23.36	15.50
JUN	43.47	23.21	58.72	48.53	11.04	8.25	3.62	3.89	39.43	25.73	31.26	24.21	15.50
JUL	25.15	20.49	48.28	19.48	14.52	5.93	12.23*	6.56	31.03	17.24	30.26	23.09	15.50
AUG	22.34	13.57	22.42	12.02	6.13	-0.40	-13.90	4.17	5.48	6.47	11.26	14.65	15.50
SEPT	7.15	14.00	37.82	22.86	15.20	-0.29	11.19*	-0.03	2.90	5.70	0.43	12.06	15.50
OCT	17.73	32.23	44.58	8.15	18.24	1.49	17.20	8.30	16.16	15.89	28.60	14.69	15.50
NOV	-0.97	8.10	7.39	-2.38	20.47	-0.31	15.65*	7.12	3.83	7.19	21.79	6.17	15.50
DEC	27.00	13.24	27.66	35.31	13.81	-0.17	-28.93	3.29	15.24	15.19	31.23	13.02	15.50

(a) Pentanes Plus obtained as a specification gas product,
(b) Propane and Butane obtained as specification products, and
(c) Pentanes Plus, Propane and Butane contained in a natural gas liquids mix.

* Current month calculated allowance is based on an estimate.

Note: For details on "Prior Period Amendment Effects", see Attachment 2A.

PRIOR PERIOD AMENDMENT EFFECTS			
NGL REFERENCE PRICES	DECEMBER 2006		
	Propane	*Butanes*	*Pentanes*
Price before amendments	267.750835	319.295325	478.006848
Opening Rollover (from prior business mth)	0.002925	0.002767	0.003845
Prior Period Amendment Adj. (NGL-1)	0.000000	0.000000	0.000000
Prior Period Amendment Adj. (NGL-100)	0.000000	0.000000	0.000000
Published Reference Price	**267.75**	**319.30**	**478.01**

TRANSPORTATION ALLOWANCES	DECEMBER 2006											
	Pentanes Plus				Propane and Butane				Pentanes Plus, Propane & Butane			
AMENDMENTS	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4
Opening Rollover (from prior business mth)	0.002893	-0.004322	-0.004065	0.004735	0.000561	-0.002041	-0.004925	0.001558	-0.004249	0.000407	0.004047	-0.001020
Prior Period Amendment Adj. (NGL1)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Prior Period Amendment Adj. (NGL-100)	1.493130	-1.506819	-9.536674	-0.251015	-2.915194	0.000000	-4.929651	0.000000	0.000000	-0.006436	0.000000	0.000000
Total Amendment Effect	1.496023	-1.511141	-9.540739	-0.246280	-2.914633	-0.002041	-4.934576	0.001558	-0.004249	-0.006029	0.004047	-0.001020
Calculated Transp. Differential	25.507289	14.751277	37.201597	35.552105	16.723948	-0.167870	-23.995143	3.292110	15.239573	15.195822	31.226605	13.016429
Calculated Transp. Differential after Total Amendments	27.003312	13.240136	27.660858	35.305825	13.809315	-0.169911	-28.929719	3.293668	15.235324	15.189793	31.230652	13.015409
Published Transportation Allowance	**27.00**	**13.24**	**27.66**	**35.31**	**13.81**	**-0.17**	**-28.93**	**3.29**	**15.24**	**15.19**	**31.23**	**13.02**

*Any estimates represented by (*) are calculated as the weighted average of the other regions for the same spec product transportation allowance, since the region is zero. The weightings are based on the previous year's production.

2006
ROYALTY RATES

MONTH	METHANE-OLD (% per GJ)	METHANE-NEW (% per GJ)	ETHANE - OLD (% per GJ)+	ETHANE - NEW (% per GJ)	PROPANE (% per m^3)	BUTANES (% per m^3)	PENTANES – OLD (POL) (% per m^3)	PENTANES - NEW (PNE) (% per m^3)
JAN	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.02226	33.61748
FEB	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.78553	33.50757
MAR	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.89365	33.55777
APR	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.29347	33.74340
MAY	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.19978	33.69990
JUN	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.25078	33.72358
JUL	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.36282	33.77559
AUG	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.22532	33.71176
SEPT	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.69442	33.46527
OCT	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.53729	33.39231
NOV	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.42468	33.34003
DEC	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.86783	33.54578

2006

	Gas Reference Price: $/GJ
January	9.52
February	7.38
March	6.47
April	6.18
May	5.71
June	5.29
July	5.22
August	5.84
September	5.12
October	4.40
November	6.51
December	7.05

2006
Weighted Average OMAC -Type Charges: $0.020/GJ
Weighted Average Gas Reference Price: $6.260/GJ

2005

	Gas Reference Price: $/GJ
January	6.02
February	5.94
March	6.30
April	6.79
May	6.51
June	6.34
July	6.87
August	7.45
September	9.46
October	11.38
November	10.81
December	10.54

2005
Weighted Average OMAC -Type Charges: $0.023/GJ
Weighted Average Gas Reference Price: $7.935/GJ

2004

	Gas Reference Price: $/GJ
January	6.10
February	5.83
March	5.49
April	5.64
May	6.28
June	6.47
July	6.17
August	5.99
September	5.21
October	5.29
November	6.58
December	6.70

2004
Weighted Average OMAC -Type Charges: $0.021/GJ
Weighted Average Gas Reference Price: $5.995/GJ

2003

	Gas Reference Price: $/GJ
January	5.88
February	6.83
March	8.94
April	5.88
May	5.73
June	5.93
July	5.58
August	5.08
September	5.19
October	4.92
November	4.60
December	5.11

2003
Weighted Average OMAC -Type Charges: $0.021/GJ
Weighted Average Gas Reference Price: $5.830/GJ

2006

	Ethane Reference Price: $/GJ	Ethane Par Price: $/GJ	Crown Royalty Rate Old Ethane	Crown Royalty Rate New Ethane
January	9.33	9.33	35.00000	30.00000
February	7.58	7.58	35.00000	30.00000
March	6.67	6.67	35.00000	30.00000
April	6.31	6.31	35.00000	30.00000
May	5.77	5.77	35.00000	30.00000
June	5.57	5.57	35.00000	30.00000
July	5.48	5.48	35.00000	30.00000
August	6.06	6.06	35.00000	30.00000
September	5.14	5.14	35.00000	30.00000
October	4.82	4.82	35.00000	30.00000
November	6.86	6.86	35.00000	30.00000
December	7.17	7.17	35.00000	30.00000

2006
Old Ethane Select Price: $0.418/GJ
New Ethane Select Price:$1.419/GJ
Weighted Average OMAC -Type Charges: $0.020/GJ
Weighted Average Gas Reference Price: $6.260/GJ

2005

	Ethane Reference Price: $/GJ	Ethane Par Price: $/GJ	Crown Royalty Rate Old Ethane	Crown Royalty Rate New Ethane
January	6.22	6.22	35.00000	30.00000
February	6.22	6.22	35.00000	30.00000
March	6.74	6.74	35.00000	30.00000
April	7.10	7.10	35.00000	30.00000
May	6.82	6.82	35.00000	30.00000
June	6.73	6.73	35.00000	30.00000
July	7.19	7.19	35.00000	30.00000
August	8.10	8.10	35.00000	30.00000
September	10.16	10.16	35.00000	30.00000
October	11.78	11.78	35.00000	30.00000
November	10.53	10.53	35.00000	30.00000
December	11.01	11.01	35.00000	30.00000

2005
Old Ethane Select Price: $0.405/GJ
New Ethane Select Price:$1.376/GJ
Weighted Average OMAC -Type Charges: $0.023/GJ
Weighted Average Gas Reference Price: $7.935/GJ

2004

	Ethane Reference Price: $/GJ	Ethane Par Price: $/GJ	Crown Royalty Rate Old Ethane	Crown Royalty Rate New Ethane
January	6.38	6.38	35.00000	30.00000
February	6.07	6.07	35.00000	30.00000
March	5.87	5.87	35.00000	30.00000
April	6.02	6.02	35.00000	30.00000
May	6.56	6.56	35.00000	30.00000
June	6.68	6.68	35.00000	30.00000
July	6.43	6.43	35.00000	30.00000
August	6.22	6.22	35.00000	30.00000
September	5.44	5.44	35.00000	30.00000
October	5.85	5.85	35.00000	30.00000
November	6.65	6.65	35.00000	30.00000
December	6.81	6.81	35.00000	30.00000

2004
Old Ethane Select Price: $0.392/GJ
New Ethane Select Price:$1.333/GJ
Weighted Average OMAC -Type Charges: $0.021/GJ
Weighted Average Gas Reference Price: $5.995/GJ

2003

	Ethane Reference Price: $/GJ	Ethane Par Price: $/GJ	Crown Royalty Rate Old Ethane	Crown Royalty Rate New Ethane
January	6.12	5.14	35.00000	30.00000
February	7.23	6.12	35.00000	30.00000
March	8.96	7.23	35.00000	30.00000
April	6.25	8.96	35.00000	30.00000
May	6.09	6.25	35.00000	30.00000
June	6.31	6.09	35.00000	30.00000
July	5.84	6.31	35.00000	30.00000
August	5.33	5.84	35.00000	30.00000
September	5.38	5.33	35.00000	30.00000
October	5.05	5.38	35.00000	30.00000
November	4.82	5.05	35.00000	30.00000
December	5.40	4.82	35.00000	30.00000

2003
Old Ethane Select Price: $0.379/GJ
New Ethane Select Price:$1.290/GJ
Weighted Average OMAC -Type Charges: $0.021/GJ
Weighted Average Gas Reference Price: $5.830/GJ

2006

	Methane Reference Price: $/GJ	Methane Par Price: $/GJ	Crown Royalty Rate Old Methane	Crown Royalty Rate New Methane
January	9.56	9.56	35.00000	30.00000
February	7.36	7.36	35.00000	30.00000
March	6.46	6.46	35.00000	30.00000
April	6.17	6.17	35.00000	30.00000
May	5.70	5.70	35.00000	30.00000
June	5.26	5.26	35.00000	30.00000
July	5.19	5.19	35.00000	30.00000
August	5.81	5.81	35.00000	30.00000
September	5.12	5.12	35.00000	30.00000
October	4.33	4.33	35.00000	30.00000
November	6.46	6.46	35.00000	30.00000
December	7.03	7.03	35.00000	30.00000

2006
Old Methane Select Price: $0.418/GJ
New Methane Select Price: $1.419/GJ

2005

	Methane Reference Price: $/GJ	Methane Par Price: $/GJ	Crown Royalty Rate Old Methane	Crown Royalty Rate New Methane
January	5.99	5.99	35.00000	30.00000
February	5.91	5.91	35.00000	30.00000
March	6.24	6.24	35.00000	30.00000
April	6.75	6.75	35.00000	30.00000
May	6.49	6.49	35.00000	30.00000
June	6.29	6.29	35.00000	30.00000
July	6.82	6.82	35.00000	30.00000
August	7.36	7.36	35.00000	30.00000
September	9.38	9.38	35.00000	30.00000
October	11.36	11.36	35.00000	30.00000
November	10.85	10.85	35.00000	30.00000
December	10.47	10.47	35.00000	30.00000

2005
Old Methane Select Price: $0.405/GJ
New Methane Select Price:$1.376/GJ

2004

	Methane Reference Price: $/GJ	Methane Par Price: $/GJ	Crown Royalty Rate	
			Old Methane	New Methane
January	6.06	6.06	35.00000	30.00000
February	5.80	5.80	35.00000	30.00000
March	5.42	5.42	35.00000	30.00000
April	5.58	5.58	35.00000	30.00000
May	6.23	6.23	35.00000	30.00000
June	6.45	6.45	35.00000	30.00000
July	6.13	6.13	35.00000	30.00000
August	5.96	5.96	35.00000	30.00000
September	5.17	5.17	35.00000	30.00000
October	5.22	5.22	35.00000	30.00000
November	6.60	6.60	35.00000	30.00000
December	6.69	6.69	35.00000	30.00000

2004
Old Methane Select Price: $0.392/GJ
New Methane Select Price:$1.333/GJ

2003

	Methane Reference Price: $/GJ	Methane Par Price: $/GJ	Crown Royalty Rate	
			Old Methane	New Methane
January	5.84	4.91	35.00000	30.00000
February	6.78	5.84	35.00000	30.00000
March	8.94	6.78	35.00000	30.00000
April	5.80	8.94	35.00000	30.00000
May	5.68	5.80	35.00000	30.00000
June	5.86	5.68	35.00000	30.00000
July	5.53	5.86	35.00000	30.00000
August	5.03	5.53	35.00000	30.00000
September	5.16	5.03	35.00000	30.00000
October	4.88	5.16	35.00000	30.00000
November	4.56	4.88	35.00000	30.00000
December	5.04	4.56	35.00000	30.00000

2003
Old Methane Select Price: $0.379/GJ
New Methane Select Price:$1.290/GJ

2006

	Pentanes Plus Reference Price: $/M3	Pentanes Plus Par Price: $/M3	Crown Royalty Rate Old Pentanes	Crown Royalty Rate New Pentanes
January	484.39	477.02	47.02226	33.61748
February	468.40	441.89	46.78553	33.50757
March	468.85	457.27	46.89365	33.55777
April	545.33	524.82	47.29347	33.74340
May	529.03	507.26	47.19978	33.69990
June	557.91	516.67	47.25078	33.72358
July	564.17	538.62	47.36282	33.77559
August	530.10	511.93	47.22532	33.71176
September	443.64	429.71	46.69442	33.46527
October	431.87	410.21	46.53729	33.39231
November	399.49	397.29	46.42468	33.34003
December	478.01	453.50	46.86783	33.54578

2006 Pentanes Plus Select Price: $50.73/M3

2005

	Pentanes Plus Reference Price: $/M3	Pentanes Plus Par Price: $/M3	Crown Royalty Rate Old Pentanes	Crown Royalty Rate New Pentanes
January	420.54	392.96	46.49501	33.37268
February	466.37	434.07	46.82696	33.52680
March	466.81	449.92	46.93874	33.57870
April	458.62	435.93	46.84050	33.53309
May	419.68	399.43	46.55179	33.39904
June	450.01	436.18	46.84231	33.53393
July	467.36	447.74	46.92384	33.57178
August	534.52	512.86	47.31443	33.75313
September	535.02	500.47	47.24795	33.72226
October	480.27	472.62	47.08578	33.64697
November	478.50	456.87	46.98531	33.60032
December	462.16	447.43	46.92171	33.57079

2005 Pentanes Plus Select Price: $49.19/M3

2004

	Pentanes Plus Reference Price: $/M3	Pentanes Plus Par Price: $/M3	Crown Royalty Rate Old Pentanes	Crown Royalty Rate New Pentanes
January	296.01	283.35	45.29134	32.81383
February	301.09	290.27	45.40359	32.86595
March	329.21	318.81	45.81506	33.05699
April	339.05	326.36	45.91188	33.10194
May	377.36	349.25	46.17981	33.22634
June	338.99	325.57	45.90196	33.09734
July	335.42	319.89	45.82919	33.06355
August	353.70	347.92	46.16521	33.21956
September	367.66	337.84	46.05079	33.16644
October	413.49	401.68	46.67845	33.45785
November	372.20	359.89	46.29276	33.27878
December	362.35	344.03	46.12185	33.19943

2004 Pentanes Plus Select Price: $47.65/M3

2003

	Pentanes Plus Reference Price: $/M3	Pentanes Plus Par Price: $/M3	Crown Royalty Rate Old Pentanes	Crown Royalty Rate New Pentanes
January	317.99	281.72	45.41715	32.87225
February	339.40	309.39	45.82701	33.06254
March	327.17	336.01	46.15761	33.21604
April	282.96	309.82	45.83281	33.06523
May	262.58	272.24	45.25757	32.79816
June	274.61	249.37	44.82263	32.59622
July	277.36	262.40	45.07973	32.71559
August	282.75	268.89	45.19848	32.77072
September	237.58	269.67	45.21237	32.77717
October	250.26	234.96	44.50511	32.44880
November	269.72	239.96	44.61960	32.50196
December	292.72	256.45	44.96557	32.66259

2003 Pentanes Plus Select Price: $46.11/M3

2006

	Propane Reference Price: $/M3	Propane Floor Price: $/M3	Crown Royalty Rate
January	289.22	240.07	30.00000
February	248.16	213.28	30.00000
March	254.40	213.86	30.00000
April	286.26	248.88	30.00000
May	279.81	247.11	30.00000
June	287.72	258.60	30.00000
July	313.36	281.70	30.00000
August	305.03	275.34	30.00000
September	269.07	240.91	30.00000
October	263.50	228.69	30.00000
November	267.41	232.98	30.00000
December	267.75	228.13	30.00000

2005

	Propane Reference Price: $/M3	Propane Floor Price: $/M3	Crown Royalty Rate
January	213.42	182.74	30.00000
February	212.28	181.37	30.00000
March	252.62	211.93	30.00000
April	247.29	222.85	30.00000
May	242.50	218.28	30.00000
June	269.28	227.24	30.00000
July	260.68	234.97	30.00000
August	269.38	248.21	30.00000
September	337.00	288.79	30.00000
October	332.72	296.99	30.00000
November	302.47	259.62	30.00000
December	325.26	265.35	30.00000

2004

	Propane Reference Price: $/M3	Propane Floor Price: $/M3	Crown Royalty Rate
January	208.59	172.19	30.00000
February	187.63	164.69	30.00000
March	168.28	143.27	30.00000
April	178.48	158.79	30.00000
May	201.30	181.31	30.00000
June	200.53	179.15	30.00000
July	218.71	193.22	30.00000
August	259.17	243.48	30.00000
September	247.55	224.00	30.00000
October	274.62	251.96	30.00000
November	269.58	241.32	30.00000
December	243.61	207.64	30.00000

2003

	Propane Reference Price: $/M3	Propane Floor Price: $/M3	Crown Royalty Rate
January	214.79	169.20	30.00000
February	263.88	220.11	30.00000
March	237.11	199.55	30.00000
April	194.86	149.60	30.00000
May	178.89	153.53	30.00000
June	192.36	164.11	30.00000
July	190.04	165.96	30.00000
August	203.50	181.90	30.00000
September	194.59	165.78	30.00000
October	204.37	178.56	30.00000
November	177.82	155.23	30.00000
December	194.34	163.84	30.00000

2006

	Butane Reference Price: $/M3	Butane Floor Price: $/M3	Crown Royalty Rate
January	394.52	329.84	30.00000
February	370.63	279.57	30.00000
March	362.89	272.66	30.00000
April	390.67	290.57	30.00000
May	376.44	283.32	30.00000
June	377.94	295.08	30.00000
July	402.10	315.61	30.00000
August	402.10	317.45	30.00000
September	366.43	268.30	30.00000
October	320.32	254.10	30.00000
November	311.40	255.81	30.00000
December	319.30	262.85	30.00000

2005

	Butane Reference Price: $/M3	Butane Floor Price: $/M3	Crown Royalty Rate
January	286.23	229.22	30.00000
February	299.63	230.67	30.00000
March	319.32	247.32	30.00000
April	285.54	266.90	30.00000
May	256.14	235.69	30.00000
June	265.16	245.76	30.00000
July	312.47	267.01	30.00000
August	326.52	290.64	30.00000
September	393.15	325.62	30.00000
October	419.89	346.15	30.00000
November	372.87	322.41	30.00000
December	383.36	343.87	30.00000

2004

	Butane Reference Price: $/M3	Butane Floor Price: $/M3	Crown Royalty Rate
January	269.04	211.06	30.00000
February	237.75	166.16	30.00000
March	229.80	171.58	30.00000
April	235.53	189.59	30.00000
May	265.89	213.92	30.00000
June	266.36	211.96	30.00000
July	268.54	236.07	30.00000
August	293.66	252.80	30.00000
September	294.68	252.42	30.00000
October	345.59	288.18	30.00000
November	329.01	266.92	30.00000
December	290.47	221.38	30.00000

2003

	Butane Reference Price: $/M3	Butane Floor Price: $/M3	Crown Royalty Rate
January	276.56	223.25	30.00000
February	284.24	215.88	30.00000
March	267.78	200.52	30.00000
April	200.92	149.88	30.00000
May	186.68	156.47	30.00000
June	194.03	160.82	30.00000
July	190.66	166.10	30.00000
August	205.16	177.80	30.00000
September	210.24	163.14	30.00000
October	226.09	180.70	30.00000
November	236.65	182.60	30.00000
December	246.76	186.89	30.00000

SULPHUR DEFAULT PRICE ($ PER TONNE)

	2006	2005	2004	2003	2002	Crown Royalty Rate
January	27.53	30.62	26.73	26.60	4.25	16.66667
February	29.48	35.01	24.94	26.43	2.08	16.66667
March	31.39	32.65	32.65	30.31	6.81	16.66667
April	25.41	29.86	30.26	34.70	4.43	16.66667
May	24.31	36.22	37.15	42.57	6.94	16.66667
June	21.78	37.47	37.27	38.69	8.67	16.66667
July	18.77	37.13	34.15	32.59	4.44	16.66667
August	14.09	36.92	39.37	28.75	10.97	16.66667
September	16.45	34.38	28.05	33.66	12.59	16.66667
October	14.99	34.54	39.90	28.31	13.27	16.66667
November	9.05	30.19	27.73	27.71	13.21	16.66667
December	12.89	32.20	27.43	21.33	14.86	16.66667
Annual Sulphur Default Price		33.98	31.98	30.97	6.74	

TRANSPORTATION ALLOWANCE AND DEDUCTIONS.: $/m3

2006	Pentanes Plus Region				Propane & Butanes Region				Pentanes Plus, Propanes & Butanes				Frac.
	1	2	3	4	1	2	3	4	1	2	3	4	Allow
January	-0.90	13.92	10.05	18.08	18.72	-1.58	-33.18	-18.57	17.78	14.75	35.26	16.39	15.50
February	24.88	25.25	34.62	26.47	10.17	-2.24	-57.23	-19.17	18.42	13.68	31.79	18.91	15.50
March	14.23	10.00	32.47	4.43	12.33	6.56	3.05	-2.25	20.08	16.58	22.76	19.67	15.50
April	16.82	16.81	36.92	26.20	8.13	4.05	4.42	3.86	18.80	24.73	22.81	27.82	15.50
May	21.44	17.83	34.47	26.88	7.50	0.28	-5.71	1.91	17.91	17.74	17.30	23.36	15.50
June	43.47	23.21	58.72	48.53	11.04	8.25	3.62	3.89	39.43	25.73	31.26	24.21	15.50
July	25.15	20.49	48.28	19.48	14.52	5.93	12.23*	6.56	31.03	17.24	30.26	23.09	15.50
August	22.34	13.57	22.42	12.02	6.13	-0.40	-13.90	4.17	5.48	6.47	11.26	14.65	15.50
September	7.15	14.00	37.82	22.86	15.20	-0.29	11.19*	-0.03	2.90	5.70	0.43	12.06	15.50
October	17.73	32.23	44.58	8.15	18.24	1.49	17.20	8.30	16.16	15.89	28.60	14.69	15.50
November	-0.97	8.10	7.39	-2.38	20.47	-0.31	15.65*	7.12	3.83	7.19	21.79	6.17	15.50
December	27.00	13.24	27.66	35.31	13.81	-0.17	-28.93	3.29	15.24	15.19	31.23	13.02	15.50

TRANSPORTATION ALLOWANCE AND DEDUCTIONS.: $/m3

2005	Pentanes Plus Region				Propane & Butanes Region				Pentanes Plus, Propanes & Butanes				Frac.
	1	2	3	4	1	2	3	4	1	2	3	4	Allow
January	28.06	14.75	41.69	35.31	12.05	1.32	9.29*	4.47	29.23	30.73	40.55	25.96	11.50
February	28.42	21.08	34.92	50.06	13.03	3.86	10.67*	7.22	35.95	40.12	48.36	31.01	11.50
March	16.72	2.34	23.40	33.49	20.22	9.27	-13.09	10.32	14.58	27.11	38.77	22.73	11.50
April	22.18	8.43	33.66	34.13	3.94	-8.13	-18.36	-2.09	11.48	17.04	26.24	12.67	11.50
May	15.27	16.96	37.88	22.82	2.15	-7.78	-24.30	-11.43	8.47	8.08	20.93	12.16	11.50
June	8.40	13.57	15.85	25.21	15.42	7.73	-2.82	6.52	16.11	12.73	22.15	20.50	11.50
July	16.39	18.24	42.50	15.13	15.17	3.19	-27.33	-23.36	22.65	21.58	41.87	22.87	11.50
August	27.06	5.53	37.70	17.63	10.64	-3.51	-37.14	-16.44	24.40	25.34	44.40	22.65	11.50
September	34.08	26.94	54.00	32.97	30.17	17.04	19.45	30.23	35.97	37.44	53.12	39.82	11.50
October	7.47	3.51	9.62	13.71	25.37	3.40	-25.81	-4.25	22.24	21.34	38.98	27.72	11.50
November	23.93	12.98	30.82	21.50	15.92	-2.64	-35.30	-16.72	28.49	27.77	44.08	28.42	11.50
December	14.74	13.00	13.29	17.54	21.61	2.30	-19.39	8.57	28.01	26.59	45.54	35.86	11.50

TRANSPORTATION ALLOWANCE AND DEDUCTIONS.: $/m3

2004	Pentanes Plus Region				Propane & Butanes Region				Pentanes Plus, Propanes & Butanes				Frac.
	1	2	3	4	1	2	3	4	1	2	3	4	Allow
January	11.09	13.04	21.07	10.50	10.34	3.20	8.30*	14.13	18.54	17.98	28.23	16.49	10.50
February	7.83	10.98	18.12	13.54	16.85	-1.86	11.93*	14.34	14.92	15.62	23.08	14.50	10.50
March	12.39	7.58	4.31	15.77	5.88	-0.27	11.45*	9.67	16.35	18.39	27.02	16.69	10.50
April	13.09	4.89	19.42	15.22	7.61	4.76	6.83*	5.24	24.05	22.98	30.06	19.43	10.50
May	32.23	18.47	25.21	32.08	6.70	2.36	5.48*	-0.31	13.74	18.17	28.78	19.82	10.50
June	11.50	9.53	19.87	18.36	2.67	-0.30	1.87*	2.16	16.60	14.70	34.62	14.83	10.50
July	11.86	18.49	18.71	16.55	6.89	3.63	6.02*	10.35	14.65	19.86	33.71	18.82	10.50
August	0.00	5.21	23.05	5.67	4.97	0.25	3.64*	-4.40	-1.60	10.29	21.50	11.24	10.50
September	15.63	37.15	52.81	32.48	-2.15	-0.25	-1.70*	-7.78	13.91	17.80	29.74	13.97	10.50
October	9.58	13.01	18.31	7.24	12.63	1.83	9.63*	-0.64	19.63	19.62	32.76	19.01	10.50
November	9.89	10.97	19.19	14.60	14.18	4.68	11.54*	3.27	23.34	23.17	37.05	23.44	10.50
December	16.94	7.04	30.98	29.08	9.08	4.24	7.75	6.18	26.47	27.25	39.28	26.81	10.50

TRANSPORTATION ALLOWANCE AND DEDUCTIONS.: $/m3

2003	Pentanes Plus Region				Propane & Butanes Region				Pentanes Plus, Propanes & Butanes				Frac.
	1	2	3	4	1	2	3	4	1	2	3	4	Allow
January	8.04	8.14	17.04	2.24	6.42	0.10	1.96	5.66	12.73	19.09	23.37	15.47	8.75
February	3.23	1.73	6.02	7.00	4.96	-1.96	-6.38	15.99	10.87	18.17	21.37	22.17	8.75
March	15.49	19.97	16.69	18.55	3.26	-4.95	9.54	13.77	15.72	16.57	23.53	12.09	8.75
April	8.31	9.82	15.24	14.50	14.63	14.12	14.52*	20.18	26.04	27.40	35.62	23.76	8.75
May	12.15	11.92	19.16	13.39	3.44	0.02	2.49*	8.28	13.83	17.54	24.82	12.56	8.75
June	13.08	7.75	16.45	13.56	3.71	1.47	3.06*	6.80	15.33	20.03	25.63	13.85	8.75
July	7.78	4.73	11.83	12.89	1.09	4.68	2.35*	9.18	16.87	19.68	25.02	15.30	8.75
August	11.51	14.28	15.67	15.34	4.97	4.70	4.92*	9.59	13.43	7.34	9.69	11.49	8.75
September	9.47	-22.34	16.13	15.00	-1.67	1.84	32.45*	6.41	14.18	17.36	27.22	12.82	8.75
October	9.08	10.13	12.88	13.05	4.54	2.23	3.90*	10.27	16.92	16.35	22.80	15.84	8.75
November	12.65	12.08	20.30	10.27	4.93	0.82	3.69*	0.86	16.14	18.36	26.73	15.85	8.75
December	13.03	16.02	22.21	12.29	8.45	1.31	6.38*	10.82	19.32	19.98	29.28	18.31	8.75

NATURAL GAS DIVISION
INTEREST RATES = ATB FINANCIAL PRIME + 1%

	2007	2006	2005	2004	2003	2002	2001
Jan.	7.00	6.00	5.25	5.50	5.50	5.00	8.50
Feb.	7.00	6.25	5.25	5.25	5.50	4.75	8.25
Mar.		6.25	5.25	5.25	5.50	4.75	8.25
April		6.50	5.25	5.00	5.75	4.75	7.75
May		6.75	5.25	4.75	6.00	5.00	7.50
June		7.00	5.25	4.75	6.00	5.00	7.25
July		7.00	5.25	4.75	6.00	5.25	7.25
Aug.		7.00	5.25	4.75	5.75	5.50	7.00
Sept.		7.00	5.25	4.75	5.75	5.50	6.75
Oct.		7.00	5.50	5.00	5.50	5.50	6.25
Nov.		7.00	5.75	5.25	5.50	5.50	5.50
Dec.		7.00	5.75	5.25	5.50	5.50	5.00

Prepared by Gas Royalty Calculation

2002 Capital Cost Audits in Progress at December 31, 2006

AB GP 0001004	AB GP 0001343	AB GP 0001669	AB GS 0002517
AB GP 0001013	AB GP 0001345	AB GP 0001683	AB GS 0002570
AB GP 0001024	AB GP 0001351	AB GP 0001686	AB GS 0002652
AB GP 0001034	AB GP 0001357	AB GP 0001692	AB GS 0002653
AB GP 0001057	AB GP 0001360	AB GP 0001696	AB GS 0002669
AB GP 0001067	AB GP 0001364	AB GP 0001697	AB GS 0002700
AB GP 0001070	AB GP 0001380	AB GP 0001698	AB GS 0002751
AB GP 0001084	AB GP 0001383	AB GP 0001730	AB GS 0002800
AB GP 0001101	AB GP 0001391	AB GP 0001746	AB GS 0002848
AB GP 0001107	AB GP 0001392	AB GP 0001775	AB GS 0002880
AB GP 0001112	AB GP 0001417	AB GP 0001789	AB GS 0002889
AB GP 0001130	AB GP 0001427	AB GP 0001853	AB GS 0002988
AB GP 0001134	AB GP 0001468	AB GP 0001858	AB GS 0003030
AB GP 0001135	AB GP 0001497	AB GP 0001862	AB GS 0003280
AB GP 0001139	AB GP 0001506	AB GP 0001874	AB GS 0003333
AB GP 0001141	AB GP 0001511	AB GP 0001875	AB GS 0003632
AB GP 0001144	AB GP 0001520	AB GP 0001880	AB GS 0003692
AB GP 0001147	AB GP 0001522	AB GP 0001886	AB GS 0003739
AB GP 0001149	AB GP 0001524	AB GP 0001892	AB GS 0004088
AB GP 0001156	AB GP 0001532	AB GP 0001895	AB GS 0004165
AB GP 0001159	AB GP 0001548	AB GP 0001962	AB GS 0004226
AB GP 0001163	AB GP 0001561	AB GP 0001976	AB GS 0004263
AB GP 0001172	AB GP 0001566	AB GP 0001984	AB GS 0004274
AB GP 0001184	AB GP 0001577	AB GP 0001997	AB GS 0004364
AB GP 0001202	AB GP 0001609	AB GS 0002207	AB GS 0004432
AB GP 0001217	AB GP 0001624	AB GS 0002282	AB GS 0004510
AB GP 0001222	AB GP 0001629	AB GS 0002323	AB GS 0004538
AB GP 0001224	AB GP 0001630	AB GS 0002369	AB GS 0004568
AB GP 0001270	AB GP 0001634	AB GS 0002382	AB GS 0004585
AB GP 0001292	AB GP 0001645	AB GS 0002392	AB GS 0004587
AB GP 0001296	AB GP 0001664	AB GS 0002396	AB GS 0004649
AB GP 0001316	AB GP 0001666	AB GS 0002443	AB GS 0006052
AB GP 0001322	AB GP 0001667	AB GS 0002491	AB GS 0006055
AB GP 0001326	AB GP 0001668	AB GS 0002516	

2002 Otherwise Flared Solution Gas S1 Production to Allocation Imbalances

AB GP 0001122
AB GP 0001296
AB GP 0001585
AB GP 0001698
AB GP 0001794
AB GP 0001892
AB GS 0006226

2002 Deep Gas Royalty Holiday Program

Well ID	Operator	Operator Name
100 11 07 012 01 W5 00	0J3J	Marathon International Petroleum Canada Ltd.
100 11 07 012 01 W5 01	0J5Z	BP Canada Energy
100 11 07 012 01 W5 02	0CW8	Compton Petroleum Corp.
100 11 07 012 01 W5 03	0AL2	Marathon Canada Ltd.
100 11 07 012 01 W5 04	0R46	Husky Oil Operations Limited
100 05 25 058 20 W5 00	0060	BP Canada Energy Co.
100 11 29 055 19 W5 00	0060	BP Canada Energy Co.
100 16 04 037 08 W5 00	0060	BP Canada Energy Co.
100 03 29 065 08 W6 02	0060	BP Canada Energy Co.
100 01 11 057 20 W5 04	0060	BP Canada Energy Co.
100 10 28 063 12 W6 00	0060	BP Canada Energy Co.
100 07 01 065 08 W6 00	0060	BP Canada Energy Co.
100 01 09 064 26 W5 02	0045	Chevron Canada Ltd.
100 12 19 064 26 W5 00	0045	Chevron Canada Ltd.
100 08 18 058 20 W5 03	0045	Chevron Canada Ltd.
100 05 01 059 21 W5 00	0045	Chevron Canada Ltd.
100 16 19 065 03 W6 03	0045	Chevron Canada Ltd.
102 11 03 045 12 W5 00	0FW6	ConocoPhillips Canada Resources Corp.
100 15 36 031 01 W5 00	0KT5	Esprit Exploration Ltd.
100 15 22 031 01 W5 00	0KT5	Esprit Exploration Ltd.
100 15 36 031 01 W5 00	0KT5	Esprit Exploration Ltd.
100 15 22 031 01 W5 00	0KT5	Esprit Exploration Ltd.
100 08 28 030 01 W5 00	0KT5	Esprit Exploration Ltd.
100 13 14 031 01 W5 00	0KT5	Esprit Exploration Ltd.
100 11 12 031 01 W5 00	0KT5	Esprit Exploration Ltd.
100 14 10 042 15 W5 03	0R46	Husky Oil Operations Limited
100 06 13 057 02 W6 02	0R46	Husky Oil Operations Limited
102 11 03 045 12 W5 00	0YD9	Keyspan Energy Canada Inc,
100 06 28 056 23 W5 00	A06X	3075704 Nova Scotia Co.
100 13 22 056 23 W5 00	A06X	3075704 Nova Scotia Co.
100 01 29 056 23 W5 00	A06X	3075704 Nova Scotia Co.
100 02 32 056 23 W5 00	A06X	3075704 Nova Scotia Co.
100 08 27 056 23 W5 00	A06X	3075704 Nova Scotia Co.
100 10 17 055 23 W5 00	A06X	3075704 Nova Scotia Co.
100 14 21 056 23 W5 00	A06X	3075704 Nova Scotia Co.
100 01 29 056 23 W5 02	A06X	3075704 Nova Scotia Co.
100 02 32 056 23 W5 02	A06X	3075704 Nova Scotia Co.
102 10 08 053 18 W5 00	A06X	3075704 Nova Scotia Co.
100 06 11 058 23 W5 02	A06X	3075704 Nova Scotia Co.
100 16 30 056 22 W5 00	A06X	3075704 Nova Scotia Co.
100 08 19 056 23 W5 00	A06X	3075704 Nova Scotia Co.
100 08 36 056 23 W5 00	A06X	3075704 Nova Scotia Co.
100 04 29 056 22 W5 00	A06X	3075704 Nova Scotia Co.
100 13 24 056 23 W5 00	A06X	3075704 Nova Scotia Co.

102 06 02 042 07 W5 02	0017	Imperial Oil Resources
100 10 16 058 22 W5 00	0X1J	Central Alberta Midstream
100 01 09 064 26 W5 02	0X1J	Central Alberta Midstream
100 06 18 061 09 W6 00	0F3F	Devon Canada
100 16 07 075 22 W5 00	A0EJ	Masters Energy Inc.
100 03 33 063 05 W6 00	A222	Trilogy Redsky Ltd.
100 06 32 057 17 W5 02	0N00	Primewest Energy Inc.
100 06 21 065 03 W6 00	A1DE	White Fire Energy Ltd.
100 03 29 065 08 W6 00	0J5Z	BP Canada Energy
100 13 12 059 21 W5 00	0J5Z	BP Canada Energy
100 03 19 045 18 W5 00	0246	Petro-Canada
100 01 02 040 09 W5 00	0246	Petro-Canada
102 10 13 041 10 W5 02	0246	Petro-Canada
100 08 11 047 16 W5 00	0PE3	Atco Midstream Ltd.
100 07 15 057 21 W5 00	0JT1	ExxonMobil Canada Energy
100 10 16 058 22 W5 00	0JT1	ExxonMobil Canada Energy
100 10 24 057 21 W5 00	0JT1	ExxonMobil Canada Energy
100 11 18 057 20 W5 00	0JT1	ExxonMobil Canada Energy
102 10 13 060 23 W5 02	0JT1	ExxonMobil Canada Energy
100 16 01 063 15 W5 02	AIT7	Canetic Resources Inc.
100 14 33 037 06 W5 00	0KR3	Northrock Resources Ltd.
100 11 08 064 07 W6 03	0KR3	Northrock Resources Ltd.
100 03 09 051 09 W5 00	0CW8	Compton Petroleum Corp.
100 14 10 041 09 W5 02	0E9L	ConocoPhillips Canada Energy Partnership
100 14 29 037 08 W5 02	0TX1	Blaze Energy Ltd.
102 10 25 035 07 W5 00	0TM9	NAL Resources Ltd.
100 16 11 058 19 W5 00	A162	Daylight Energy Ltd.
100 08 18 058 20 W5 04	A162	Daylight Energy Ltd.
100 08 27 049 15 W5 00	A162	Daylight Energy Ltd.
100 10 25 050 16 W5 02	A162	Daylight Energy Ltd.
100 14 31 054 27 W5 02	A162	Daylight Energy Ltd.
100 11 07 054 26 W5 02	A162	Daylight Energy Ltd.
100 06 16 047 14 W5 02	A162	Daylight Energy Ltd.
100 02 15 047 15 W5 00	A162	Daylight Energy Ltd.
100 06 07 049 14 W5 02	A162	Daylight Energy Ltd.
102 06 11 069 21 W5 02	0PL1	Ankerton Holdings Ltd.
100 03 34 063 02 W6 00	0HE9	Canadian Natural Resources Ltd.
100 04 15 059 24 W5 00	0HE9	Canadian Natural Resources Ltd.
102 11 32 040 08 W5 00	0TR8	Shiningbank Energy Ltd.
100 08 08 076 22 W5 00	A0C7	Galleon Energy Inc.
100 16 02 076 23 W5 00	A0C7	Galleon Energy Inc.
102 07 31 051 17 W5 00	0039	Talisman Energy Inc.
100 07 23 056 24 W5 00	0039	Talisman Energy Inc.
100 16 08 052 22 W5 00	0039	Talisman Energy Inc.